

Press release:

SKIOLD A/S acquires 50% of Australian feed mill dealer's business

SKIOLD A/S is now strengthening its position in Australia and other countries on the opposite side of the globe with its acquisition of half of its dealer's business, VMS – Vacuum and Milling Solutions, henceforward SKIOLD VMS.

SKIOLD A/S, which is among the leading manufacturers in Europe of machinery and equipment for feed production, has just acquired half of VMS – Vacuum and Milling Solutions, situated in Jimboomba, Queensland, close to Brisbane in the Eastern part of Australia.

VMS has since 2008 sold and supplied feed mills and ancillary equipment from SKIOLD to farmers and stockfeed industries in Australia, New Zealand, Papua New Guinea, Malaysia and the Pacific Islands.

The agreement on SKIOLD's acquisition of 50% of VMS was signed Wednesday this week. The deal implies a change of name for the Australian business to SKIOLD & Vacuum Milling Solutions, or in short SKIOLD VMS.

The two parties have cooperated on more than 30 projects during recent years. Thus they have also just signed a deal to supply a stockfeed production plant to Ridley, the largest stockfeed company in Australia. The new plant will have an hourly production of 30 tons meal and 20 tons pellets.

SKIOLD has during recent years supplied more than 300 of the so-called Disc Mills to Australia. This prize awarded mill, developed and produced in Denmark, has proven to be highly suitable for the local conditions in Australia.

An essential strength for the two companies

VMS has marketed the complete range of machinery and equipment for feed production from SKIOLD since 2008. For both parties, this has resulted in growth, which provides the background for SKIOLD becoming joint owner of VMS.

- The Australian market has become an essential area of growth for our company. As joint owner, we are now strengthening our position in Australia as well as in other countries where VMS has activities, Samuel Waldorph says, managing director of SKIOLD.

- The purpose of our acquisition of half of VMS is to extend SKIOLD's presence in Australia, and in that way increase the sales and the technical knowhow. At the same time it is our wish to obtain a larger rate of growth for our project sales of complete feed factory plants. And as we now convey more competence to the company in Australia, we will be able to service our clients faster and more efficiently, Samuel Waldorph adds.

- For our firm, the partnership with SKIOLD means that we can develop the business faster and increase the sales of small feed production plants for farmers as well as turnkey commercial plants for the stockfeed industry, Martin Liese says, director of VMS.

Martin Liese continues as Managing director after the sale of half of the company to SKIOLD.

About the two companies

SKIOLD A/S has its headquarters and factory in Saeby, with branch offices in Ikast and Herlufmagle. In addition, the company has subsidiaries in Sweden, Poland and Russia, and a close cooperation with affiliated companies in France.

The company is among the strongest suppliers of technical systems and management systems for the farming industry. Apart from feed production plants for livestock farmers and industries all over the world, the company supplies housing equipment for pig producers in most of the world.

SKIOLD was founded in 1877 as Sæby Jernstøberi & Maskinfabrik (Saeby Iron Foundry and Machine Factory). In 1927, the company was acquired by the Hougaard family. Henrik Hougaard, who is third generation, and his family are now principal shareholders in the SKIOLD group and the Thoraso group, which also comprises a row of agricultural machinery factories and other companies in the agricultural sector.

SKIOLD A/S employs 250 people.

VMS was established in 2007 by Martin Liese, who has been working with sales and technical solutions for the farming industry for the past 17 years. The business has expanded considerably during recent years. The firm's expertise is to design, sell, install, and service feed mill plants at farms and in the stockfeed industry.

The company has a staff of 10 employees.

Further information about the two companies is available at:

<http://www.vacmillsolutions.com.au/>

<http://www.skiold.com/>